

## MEDICAID COVERAGE FOR DENTAL SERVICES IN WISCONSIN

Wisconsin provides basic dental benefits to children and adults eligible for Medicaid or BadgerCare. Wisconsin Medicaid spent almost \$40 million on oral health care in Fiscal Year 2004.

The Wisconsin Medicaid program is a joint federal and state program providing medical benefits to certain categories of families and pregnant women and children with low incomes or disabilities. The federal government provides approximately 60 percent of the funding for the Medicaid program and governs the basic structure of the program.

### Medicaid

Under Medicaid, states are required to provide 40 percent in matching funds and certain mandatory services, but have discretion regarding coverage of optional services and direct administration of the program.

### BadgerCare

BadgerCare is the state's version of the federal children's health insurance program. Under BadgerCare, services provided are identical to those provided under the Medicaid program. However, the eligibility criteria are different. Generally, BadgerCare covers persons who are above the eligibility requirements for Medicaid but have incomes at or below 185 percent of the Federal Poverty Level. BadgerCare may require a monthly premium if family income is greater than 150 percent of the Federal Poverty Level.

Under federal law, all states are required to provide any medically-necessary dental services to Medicaid-enrolled children that are found as a result of a screening conducted under the provisions of the Early and Periodic Screening, Detection, and Treatment (EPSDT) program. In Wisconsin, the EPSDT program is known as HealthCheck. Adult dental coverage is optional under Medicaid. During these challenging fiscal times, many states, among them Michigan and Minnesota, are decreasing coverage for adult dental services or imposing considerable limitations.

### Covered Dental Services under Medicaid and BadgerCare

There are frequency limitations on services. For example, dental cleanings are limited to two cleanings per year for children and one per year for adults. In addition, there are prior authorization requirements for several of the services covered under Medicaid and BadgerCare. Dental Medicaid providers are required to obtain prior authorization approval from the Department of Health and Family Services prior to the provision of specific dental services.

### Medicaid Reimbursement

**Fee-For-Service:** Under Wisconsin Medicaid and BadgerCare, the rate of reimbursement for services is based on the Medicaid dental maximum fee schedule. A provider is reimbursed the lesser of either the billed amount or the maximum allowable fee established under the MA program. The current Medicaid reimbursement rates for dental services are approximately 46 percent of billed charges for adult dental services. Reimbursement for children's services is slightly higher.

In the fee-for-service system, clients are responsible for locating Medicaid-certified dentists, and calling them to see whether they are accepting new patients. Very few dentists are, and most that do place restrictions on admissions by patient age or place of residence, and dismiss patients from their practice for missed appointments.

The Department of Health and Family Services is pursuing several initiatives to improve the fee-for-service program to help clients find care. The Department is developing a list of dentists that are accepting new patients. To reduce the administrative burden to providers, the Department has made efforts to streamline the paperwork by adopting the American Dental Association claim form and other improvements. Rule changes are in process to reduce the number of services requiring prior authorization. The Department has developed an "Urgent Care" form for non-certified dentists who provide emergency care to Medicaid clients. Finally, the recently bid Medicaid fiscal agent contract will allow for several technical improvements, including eligibility verification via the Internet. The hope is that reducing administrative barriers to dentist participation will make oral health more available to Medicaid clients.

**Managed Care:** Dental services are reimbursed on a fee-for-service basis in all counties except for Milwaukee, Kenosha, Racine and Waukesha. In those four counties, dental care for Medicaid and BadgerCare recipients is provided through health maintenance organizations (HMOs).

Under the managed care contracts, HMOs are required to provide dental care within 90 days for a routine visit and within 24 hours for an emergency. The HMOs have contracted with two dental managed care organizations that then negotiate with individual dentists.

In managed care, HMOs are paid a monthly amount per person for every Medicaid or BadgerCare enrollee (capitation rate). In the fee-for-service system, individual dentists submit claims to, and are paid by, the Department's fiscal agent according to a set schedule of fees. In Fiscal Year 2003, total Wisconsin Medicaid/BadgerCare fee-for-service dental payments were \$26.36 million. Health Maintenance Organizations were paid \$9.9 million to provide dental services to recipients in Milwaukee, Waukesha, Racine, and Kenosha counties.

In Fiscal Year 2004, there were 609,862 fee-for-service Medicaid recipients in Wisconsin. Of these, 138,986, or 22.8 percent of the total, received dental services. The percentage of non-Medicaid

individuals that access dental care each year ranges from 50 percent to 70 percent based on family income and private dental benefits available.

### **Medicaid Clients Receiving Dental Care Reimbursement**

Currently, 412,806 children under the age of 21 are eligible for dental benefits under the fee for service or the managed care systems. Twenty percent of the fee-for-service dental population under the age of 21 receives preventative care. Less than ten percent are receiving restorative services under the fee-for-service Medicaid program.

Medicaid/BadgerCare recipients have many obstacles to maintaining quality oral health and to accessing dental care services, including:

- Low participation rate among dentists
- Very few dentists accepting new MA patients
- Long waiting lists
- Accessing dental services on emergency, rather than routine basis
- Poor oral hygiene and preventive care practices
- Dietary and lifestyle factors
- Lack of personal funds to pay privately for dental care
- Lack of oral health education
- No established relationships with dentists
- Transportation issues
- Shortage of dentists, particularly in rural areas and for special needs populations
- Lack of interpreter services

### Medicaid Participation by Dentists

In 2004, 40 percent of Wisconsin licensed dentists (1,342) submitted a fee-for-service claim for Medicaid reimbursement. While some high-volume providers are increasing the number of patients served, small volume providers are static or decreasing. The capacity and geographic distribution of high volume providers is not adequate to meet the oral health needs in Wisconsin. More than 50 percent of certified dentists in Wisconsin submit less than 100 claims annually. In addition, most participating dentists are not accepting new patients.

Dentists cite several reasons for the low participation rates:

- Inadequate Medicaid reimbursement rates
- Burdensome Medicaid paperwork
- Complicated prior authorization processes
- Medicaid recipient behaviors

### Volume of Claims Submitted by Wisconsin Medicaid-Certified Dentists\*

Volume of Claims	Number of Medicaid-Certified Dentists					
	FY00		FY01		FY03	
1-49	653	45.3%	601	42.7%	548	39.8%
50-99	251	17.4%	231	16.4%	215	15.6%
100-249	292	20.3%	295	21%	301	21.9%
250-499	135	9.4%	153	10.9%	162	11.8%
500-749	53	3.7%	56	4%	55	4%
750-999	22	1.5%	31	2.2%	32	2.3%
1,000-1,999	30	2.1%	31	2.2%	49	3.6%
2,000 or more	2	0.3%	8	0.6%	15	1.1%

\*Claims submitted by dentists, based on performing provider identification statistics.

In FY 00, 54.7% of participating Medicaid-certified dentists submitted 50 or more Medicaid claims.

In FY 01, 57.3% of participating Medicaid-certified dentists submitted 50 or more Medicaid claims.

In FY 03, 60.2% of participating Medicaid-certified dentists submitted 50 or more Medicaid claims.